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100741Z Oct 02

2002HANOI02465 - CONFIDENTIAL

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ACTION INR-00

INFO	LOG-00	NP-00	AGRE-00	AID-00	AIT-03	AMAD-00	CIAE-00
	COME-00	DINT-00	DODE-00	DOTE-00	DS-00	EAP-00	EB-00
	EUR-00	OIGO-00	E-00	FAAE-00	FBIE-00	TEDE-00	LAB-01
	MMP-00	MOFM-05	MOF-01	DCP-01	NSAE-00	OIG-03	SSO-00
	STR-00	TRSE-00	EPAE-00	DSCC-00	LBA-00	DRL-02	G-00
	NFAT-00	SAS-00	/016W				

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FM AMEMBASSY HANOI
TO SECSTATE WASHDC 7764
INFO APEC COLLECTIVE

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SIPDIS

E.O. 12958: DECL: 10/10/12

TAGS: [PINR](#) [ECIN](#) [VM](#) [KPRP](#) [APEC](#) [CTERR](#)

SUBJECT: VIETNAM: APEC OCTOBER MEETING (C-AL2-00879)

REF: STATE 184827

1. (U) CLASSIFIED BY CLAIRE A. PIERANGELO, ECONOMIC
COUNSELOR. REASON 1.5 (C).

2. (C) POST HAS HAD A NUMBER OF DISCUSSIONS WITH GVN
OFFICIALS OVER THE PAST SEVERAL MONTHS REGARDING APEC AND
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VIETNAM'S ROLE. WHILE VIETNAM IS WORKING HARD TO
PARTICIPATE IN MORE APEC ACTIVITIES, IT IS HAMPERED BY ITS
SEVERE PERSONNEL AND RESOURCE CONSTRAINTS AS WELL AS A
CHRONIC LACK OF "DEEP THINKING" AT SENIOR-MOST LEVELS. WE
FIND IT A VERY DIFFERENT STORY AT THE GVN'S WORKING LEVEL,
BUT DO NOT SEE THAT ENERGY AND CREATIVE THOUGHT PROCESS
TRANSLATING INTO OVERALL GVN POLICY ON APEC - YET.
OVERALL, DECISION-MAKING WITHIN THE GVN REMAINS VERY MUCH
TOP-DOWN AND CONSENSUS-BASED, FURTHER LIMITING THE GVN'S
ABILITY TO RESPOND TO -- MUCH LESS PROPOSE -- NEW
INITIATIVES.

3. (C) THE PRIMARY GOAL FOR VIETNAM AT THE UPCOMING
OCTOBER MEETING IS TO GET APEC AGREEMENT FOR VIETNAM TO
HOST APEC IN 2006. VIETNAM'S LONG-TERM GOAL FOR ALL APEC
MEETINGS IS TO USE THE APEC PROCESS TO FURTHER DOMESTIC
ECONOMIC REFORM GOALS (CAPACITY BUILDING) AND ITS BROADER
OBJECTIVE OF MULTI-LATERALIZING AND DIVERSIFYING ITS
FOREIGN RELATIONS AS WELL AS INCREASING REGIONAL ECONOMIC
INTEGRATION. IN MANY WAYS, VIETNAM STILL SEES APEC AS ONE-
WAY TECHNICAL ASSISTANCE STREET; CHANGING THAT ATTITUDE
WILL BE DIFFICULT. LEADING UP TO 2006, THE GVN HAS A
SPECIFIC POLICY OF HOSTING A NUMBER OF VARIOUS WORKING
GROUP MEETINGS EVERY YEAR AS PREPARATION. ACCORDING TO
MINISTRY OF FOREIGN AFFAIRS OFFICIALS, ASEAN HAS TOLD
VIETNAM THAT IT IS VIETNAM'S TURN TO HOST IN 2006 AND THE
GVN IS TREATING IT VIRTUALLY AS A DONE DEAL. SOME MOFA
OFFICIALS HAVE CHARACTERIZED VIETNAM'S DESIRE TO HOST IN
2006 PARTIALLY AS VIETNAM'S "DUTY" AS AN ASEAN MEMBER AND
PARTIALLY AS VIETNAM'S "DUE." VIETNAM WILL WANT TO USE THE
OCCASION TO RECONFIRM 20 YEARS OF "DOI MOI" (ECONOMIC
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RENOVATION), AND RECONFIRM ITS POLICY OF REGIONAL ECONOMIC
INTEGRATION. ACCORDING TO MINISTRY OF TRADE OFFICIALS,
ASEAN ACTUALLY TRIED TO CONVINCE VIETNAM TO HOST IN 2003
AND THE GVN HAD BEEN CONSIDERING IT. HOWEVER, MOT AND
OTHER MINISTRIES OPPOSED THAT DATE, NOTING THAT VIETNAM WAS
ALREADY HOSTING THE SOUTH-EAST ASIAN GAMES AND WAS NOT
READY TO TAKE ON SUCH AN EXPENSIVE CHALLENGE. SOME
WORKING LEVEL CONTACTS AT MOT AND MINISTRY OF FINANCE (THE
BUDGET MASTERS) CONTINUE TO QUESTION WHETHER VIETNAM WILL
BE READY INTERNALLY TO HANDLE HOSTING APEC FROM FINANCIAL,
PERSONNEL AND SUBSTANTIVE PERSPECTIVES. ADMINISTRATIVELY,
HOWEVER, FEW QUESTION VIETNAM'S ABILITY TO MEET THE
INFRASTRUCTURE CHALLENGE. BUT QUESTIONS DO REMAIN ABOUT
WHETHER GVN LEADERS WILL USE THE OCCASION SIMPLY TO
CONGRATULATE THEMSELVES FOR PAST REFORMS, OR TO CONTINUE TO
PUSH THROUGH CURRENT AND FUTURE REFORMS IN ORDER TO
SHOWCASE REAL RESULTS.

4. (C) ACCORDING TO MOFA AND MOT OFFICIALS, VIETNAM FEELS

THAT MEXICO IS DOING AS GOOD A JOB AS IS POSSIBLE UNDER "THE CIRCUMSTANCES" -- "MEXICO IS TRYING HARD, BUT THE PROBLEM IS NOT MEXICO, IT'S APEC." THEY RESERVED THEIR STRONG CRITICISM FOR THE APEC SECRETARIAT STAFF. MOT IN PARTICULAR HAS BEEN UNHAPPY WITH THE APEC SECRETARIAT AND FEELS THAT THE STAFF NEEDS TO BE MORE PROFESSIONAL AS WELL AS DO A BETTER JOB AT SCHEDULING MEETINGS AND IN REIGNING IN MEMBERS REGARDING LAST MINUTE PROPOSALS, WHICH LEAVE LITTLE TIME FOR MEMBERS TO STUDY THEM ON A SUBSTANTIVE BASIS. (THIS IS PARTICULARLY A PROBLEM FOR VIETNAM, WHICH NORMALLY NEEDS ADDITIONAL STUDY TIME ON ANY ISSUE, NO MATTER HOW MINOR.) MOFA AND MOT OFFICIALS AGREED THAT

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THEY WOULD LIKE TO SEE THE APEC MEETINGS BECOME MORE FOCUSED, WITH FEWER AND BETTER INITIATIVES. VIETNAMESE OFFICIALS ARE CLEARLY FEELING OVERWHELMED AT THE VOLUME OF INITIATIVES WHICH IS AT A LEVEL BEYOND THEIR CAPACITY TO REVIEW AND EVALUATE THEM ALL.

15. (C) VIETNAMESE OFFICIALS ARE POSITIVE REGARDING MEXICO'S THEME AND NOTED NO REAL CONTENTIOUS ISSUES, WITH THE EXCEPTION OF POSSIBLE DIFFICULTIES REGARDING TIMING ISSUES FOR REQUIREMENTS FOR CT INITIATIVES (SEE BELOW).

16. (C) THE GVN SHARES OUR COUNTER-TERRORISM CONCERNS BUT HAS RAISED REAL CONCERNS ABOUT ITS OWN ABILITY TO CARRY OUT A NUMBER OF THE PROPOSED ACTIONS UNDER STAR. THERE IS AN HONEST LACK OF PERSONNEL, RESOURCES, AND TRAINING THAT POSES DIFFICULTIES. THE GVN WILL PUSH FOR LONGER DEADLINES FOR ITSELF AND OTHER DEVELOPING COUNTRIES. IT MAY WELL PUSH TO TAKE A PATHFINDER APPROACH TO THE STAR (AND OTHER) CT INITIATIVES. IT WILL PUSH FOR THE U.S. AND OTHER DEVELOPED COUNTRIES TO ATTACH SPECIFIC OFFERS OF TECHNICAL ASSISTANCE TO THE VARIOUS CT ACTION ITEMS.

17. (C) THE GVN OFFICIALLY SUPPORTS APEC ACTIONS THAT SUPPORT THE BOGOR GOALS BUT HAS NOT REALLY ARTICULATED WHAT THAT MEANS IN PRACTICAL ACTION.

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ACTION INR-00

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	EUR-00	OIGO-00	E-00	FAAE-00	FBIE-00	TEDE-00	LAB-01
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18. (C) REGARDING THE LEADERS' MEETINGS, WE HAVE HEARD NO CRITICISM FROM THE TOP LEVELS OF THE GVN, BUT AT THE WORKING LEVEL, OFFICIALS COMPLAIN ABOUT THE QUANTITY OF

WORK INVOLVED AND THAT THE MEETINGS HAVE "TOO MUCH SHOW AND NOT ENOUGH SUBSTANCE."

19. (C) SENIOR LEVEL GVN OFFICIALS PRAISE APEC AND
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VIETNAM'S PARTICIPATION IN IT, BUT HAVE HAD LITTLE SUBSTANTIVE COMMENT ON THE FUTURE DIRECTION FOR THE ORGANIZATION OR ITS MANAGEMENT. IT WORKS FOR THEM, APPARENTLY. HOWEVER, AT THE WORKING LEVEL, WE HAVE HEARD SERIOUS CONCERNS REGARDING THE INCREDIBLY BROAD REACH OF APEC -- "SO MANY ISSUES, SO MANY PROPOSALS, AND NO TIME TO DEAL WITH THEM." MOT OFFICIALS HAVE COMMENTED THAT MEMBERS ARE SO OVERWHELMED THAT THEY JUST APPROVE INITIATIVES BECAUSE IT'S EASIER THAN ACTUALLY READING THE DOCUMENTS AND DEBATING THE ISSUES. THEY HAVE ALSO COMPLAINED THAT THE RESULT IS THAT NO ONE FEELS COMPELLED ACTUALLY TO IMPLEMENT THE INITIATIVES, INCLUDING THEIR OWN GOVERNMENT (THEY HAVE SOMETIMES HAD THE SAME COMPLAINT ABOUT ASEAN).

110. (C) GVN OFFICIALS ARE RETICENT TO DISCUSS THE ISSUE OF THE PRC'S ATTITUDE TOWARD TAIPEI IN APEC BEYOND THE GVN'S OFT-STATED "ONE CHINA" POLICY AND ITS AGREEMENT THAT APEC IS NOT A POLITICAL FORUM AND SHOULD NOT BE USED AS SUCH.

11. (C) MOFA AND MOT OFFICIALS ARE "POSITIVE" BUT NON-COMMITTAL REGARDING APEC FTAS. IN THEORY, THEY AGREE THAT IT IS DESIRABLE TO WORK TOWARD FTAS IN APEC, BUT IN REALITY, THE GVN WOULD HAVE DIFFICULTY MAKING ANY SUCH COMMITMENTS AT THIS TIME.

12. (C) THE GVN IS IN FAVOR OF THE PATHFINDER INITIATIVE BECAUSE IT ALLOWS VIETNAM TO OPT OUT OF TECHNICALLY OR POLITICALLY DIFFICULT INITIATIVES. AT THE SAME TIME, GVN OFFICIALS WORRY THAT TOO MANY INITIATIVES WILL GO THE
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PATHFINDER WAY AND VIETNAM WILL BE LEFT EVEN FURTHER BEHIND. THE GVN WILL LIKELY PUSH FOR A "SPECIFIC PLAN" THAT LAYS OUT POSSIBLE TECHNICAL ASSISTANCE TO THOSE COUNTRIES THAT OPT OUT OF PATHFINDER INITIATIVES, ALLOWING THEM TO CATCH UP IN A REASONABLE TIME PERIOD.

13. (C) THE VIETNAMESE DELEGATION TO THE OCTOBER MEETINGS WILL BE LED BY PRIME MINISTER PHAN VAN KHAI, AND INCLUDE FOREIGN MINISTER NGUYEN DY NIEN, DEPUTY MINISTER OF TRADE LE DANH VINH AND OTHER LOWER LEVEL OFFICIALS WORKING ON APEC ISSUES. THE GVN HAS REPEATEDLY REQUESTED A BILAT WITH PRESIDENT BUSH BUT UNDERSTAND THAT IT IS UNLIKELY TO HAPPEN, APART FROM THE PROXIMITY OF THE PRESIDENT AND PRIME MINISTER AT THE DINNER AND LUNCH FOR LEADERS (AT WHICH A WHISPER INTERPRETER WILL BE ALLOWED THIS YEAR, UNLIKE IN SHANGHAI).
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